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SIPDIS

DEPARTMENT FOR SA AND SA/INS; NSC FOR E. MILLARD

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TAGS: [PGOV](#) [PTER](#) [PINS](#) [PHUM](#) [CE](#) [LTTE](#)

SUBJECT: Just-concluded talks help peace process gain new traction as one-year milestone comes in sight

Refs: (A) Oslo 2723 (Notal)

- (B) Colombo 2246, and previous

(U) Classified by Lewis Amselem, Deputy Chief of Mission. Reasons 1.5 (b,d).

1. (C) SUMMARY: The just-concluded third session of GSL-LTTE talks has helped the peace process pick up significant new traction. In particular, the LTTE's agreement to examine federalism as a potential solution to the conflict was a key shift by the group away from separatism or a confederal model. The two sides' agreement to numerous confidence-building measures was also noteworthy. Despite the progress, many questions remain about the exact nature of any federal-type solution. Overall, in the wake of the recent talks and the Oslo donors' conference, the peace process seems stronger than ever as it moves toward its one-year anniversary. END SUMMARY.

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LTTE Shift toward Federalism
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2. (C) The just-concluded third session of talks in Oslo helped the peace process pick up significant new traction. (Note: The talks took place December 2-5. The Norwegian government's press communique reviewing the results of the talks is contained in Ref A. The next session of talks is scheduled for January 6-9, 2003.) In particular, the LTTE's agreement to explore the possible creation of a federal system within a united Sri Lanka as a potential solution to the conflict was a key shift by the group. While the LTTE has been shying away from outright separatism in its public statements of late, this was the first time the LTTE has ever explicitly accepted the notion that it could work within a united Sri Lanka. (Note: According to Minister Milinda Moragoda, the LTTE proposed the federalism language on its own volition.)

3. (C) In judging the significance of the understanding on this issue, it is noteworthy that the LTTE's prior definitions of "Tamil Eelam" seemed to preclude any form of subordination by a Tamil (read LTTE)-controlled north/east unit to the government in Colombo. In agreeing to examine federalism, however, the Tigers not only seem to be rejecting separatism, but also confederation, i.e., the setting up of a parallel administration in the north and east equal in status to Colombo. In fact, just this last April, LTTE negotiator Anton Balasingham indicated that he considered LTTE leader V. Prabhakaran as "prime minister" for LTTE-controlled areas with PM Wickremesinghe in charge of the south. The LTTE now seems to be indicating that it might be able to accept subordination to the GSL's president, prime minister, and parliament, in return for some form of autonomy. It is not even close to being agreed to yet (see paras 5-7 for more on potential problem areas), but the LTTE effectively appears to be indicating that a governor or something similar (as opposed to a LTTE-selected "president" or "PM") could head up a north/east unit.

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Key Confidence-Building Measures
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4. (C) In addition to the understanding re federalism, the two sides' agreement to numerous confidence-building measures was also noteworthy. The following understandings, encapsulated in the press communique, stood out in potential importance:

-- LTTE/Other Parties: The LTTE agreed to accept the right of other political groups to carry out political activities. In mentioning this agreement, the communique made specific reference to the right of other parties to carry out political work in Jaffna District and its islands. (Note: This issue came up because the LTTE, amid some violence, has been engaged in trying to prevent other Tamil parties from political work in the

islands off Jaffna in recent weeks.)

-- LTTE "Legal" System: The LTTE agreed that its "law and order mechanisms" will not be extended beyond areas already under the group's control. (Note: Before the Oslo talks began, the government promised to raise the issue of the recent expansion of the LTTE's "court" system. In agreeing to this language, the LTTE indicated that it would stop imposing its "legal" system on Tamils living in GSL-controlled sectors of the north and east. The agreed language seems to permit the LTTE to continue imposing its "legal" system on Tamils living in areas under the group's control, however.)

-- Movement of LTTE Commanders: The LTTE agreed that the group would allow the Norwegian-run Sri Lanka Monitoring Mission (SLMM) to supervise the transport and movement of LTTE commanders between sectors. (Note: Reacting to GSL complaints, the SLMM has been urging the LTTE to ensure that its commanders work with the monitoring group on all significant movements, per the February ceasefire accord. There have been several cases where LTTE commanders have moved from the northern sector to the east and vice versa without notifying the SLMM.)

-- LTTE and Children: The parties agreed that children should not be involved in political or military activities. The LTTE also agreed to work with UNICEF to draw up an "action plan" in this area. (Note: The LTTE has made many promises of this sort in the past. By most accounts, the LTTE remains engaged in forcibly recruiting children into its political/military system.)

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Questions re Federalism
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15. (C) Despite all of the significant progress made at Oslo, much work is still needed on many issues involving federalism. The concept itself is potentially quite controversial in Sri Lanka. It is still not fully clear whether Sinhalese chauvinists in the south will in fact come to accept the notion of a federal system. For decades, pro-Sinhalese elements have demanded that the country remain totally "unitary," i.e., no devolution of authority, no regional autonomy, etc. Indeed, to suggest that Sri Lanka be anything less than a unitary state was seen almost as traitorous behavior and an infringement on Sri Lanka's putative identity as a Sinhalese Buddhist nation. Through the years, there has been some modification in the intensity in which such views are held, but the anti-federalism streak has remained noticeable. (Note: In fact, it has been one of those perennial "third rail" issues mentioned below.) Given the potential for controversy over the issue, the exact parameters of any federal solution will require much negotiation, as well as great care in selling any understandings -- including possible constitutional proposals -- to the Sinhalese south. (Note: In a press conference held after the conclusion of the talks on December 5, government and LTTE negotiators indicated that constitutional changes, perhaps even a new constitution, would be necessary -- see Ref A.)

16. (C) One of the areas involving federalism that need further refinement concerns exactly to whom it might apply to. According to the communique of the Oslo talks, the two sides agreed that federalism would be founded on "internal self-determination in areas of historical habitation of the Tamil-speaking people." The phrase "Tamil-speaking people" has proved controversial in the past. A similar phrase was used in the 1987 Indo-Sri Lankan peace accord and it was not clear at that time to which communities the phrase applied. In Sri Lanka, for example, at least three distinct communities speak Tamil: Tamils in the north and east; tea estate Tamils in the central highlands; and Muslims. It is this last community, the Muslims (and especially those in the east), that is bound to be most worried about any "federal" solution being applied to them. (Note: Muslims in the east bitterly resent the LTTE and are fearful of coming under the group's control, given the LTTE's long-standing claim that all of the east should be under Tamil domination.)

17. (C) Another area that needs further definition is the precise scope of a possible federal model and its application to Sri Lanka's domestic scene. Would it apply to the center's relations with other areas, too?, i.e., would it be "symmetric" devolution? or would it be "asymmetric" devolution (applying to only the north and east)? These issues have to be answered because it is possible that other regions of Sri Lanka might seek autonomous rights.

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COMMENT

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18. (C) In the wake of the recent talks and the Oslo donors' conference before that, the peace process seems stronger than ever as it moves toward its one-year anniversary. (Note: The peace process started with the LTTE and GSL joining in unilateral ceasefires beginning December 24, 2001.) Thus far, the process seems to have survived numerous "third rails" of Sri Lankan politics, which were supposed to knock it permanently off course. The GSL's legalization of the LTTE in September, for example, was supposed to lead to mass protests by Sinhalese chauvinists, but, in actuality, little happened. At the same time, the introduction of the word "federalism" into the negotiations was supposed to ignite problems in the south -- so far, however, there has been little reaction. There could still be problems over many issues, but the peace process seems to be maintaining immense public support at this time. END COMMENT.

19. (U) Minimize considered.

WILLS